

# PENSION PLAN

**The WSRC Team**



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10/2000**

# INTRODUCTION

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Your WSRC/BSRI Pension Plan provides you with income during your retirement. If you are married at the time you retire, your spouse will continue to receive a portion of your pension if you predecease your spouse.

The benefits described in this Summary Plan Description are sponsored by Westinghouse Savannah River Company LLC and Bechtel Savannah River, Incorporated (WSRC/BSRI), and administered by Westinghouse Savannah River Company LLC (WSRC). Persons eligible to participate in the WSRC/BSRI Pension Plan include those as described herein who are connected by employment with the WSRC Team. "The WSRC Team" includes Westinghouse Savannah River Company LLC (WSRC), Bechtel Savannah River, Incorporated (BSRI), BWXT, Savannah River Company (BWXT), and British Nuclear Fuels Limited, Savannah River Company (BNFL).

Under the Pension Plan, there are a variety of ways in which you can receive a benefit. However, the eligibility requirements vary with each type. The following chart provides a brief description of each of the ways you can collect your pension benefit.

## ***Pension Plan at a Glance***

Benefit	When Available for Full Service Employees
Normal Retirement	• Age 65 with 15 years of Eligibility Service unreduced
Early Retirement	• Age 50 with 15 years of Eligibility Service reduced • Age 58 with 27 years of Eligibility Service unreduced
Optional Retirement	• Age 50 with 15 years or age 45 with 25 years of Eligibility Service when employment is involuntarily terminated — may be reduced
Incapability Retirement	• 15 years of Eligibility Service when you are unable to perform the duties of your own job due to a disability — unreduced/supplemented
Deferred Vested Benefit	• Based on age and Eligibility Service — may be reduced
Survivor Benefits	• Employee Paid — Beginning with 5 years of Eligibility Service • Employer Paid — Beginning with 15 years of Eligibility Service

This book provides the details of your Pension Plan. Read it carefully and refer to it whenever you have any questions about the benefits available through the Pension Plan. If you find you still have questions about any of the benefits provided under the Pension Plan, contact Benefits Administration.

*This book is a summary of the official Plan Document for the Pension Plan, a qualified retirement plan offered by WSRC/BSRI to all eligible employees. Every attempt has been made to describe the plan as clearly and accurately as possible. If there is a discrepancy between this book and the Plan Document, the Plan Document will govern.*

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# Eligibility and Participation

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You are eligible to participate in the plan if you are included in one of the employee groups described below:

- **Full Service Employee (FSE):** any employee who works at least 20 hours per week on a regular basis.
- **Limited Service Employee (LSE):** any employee who works on a temporary basis for more than 1,000 hours in any 12-consecutive-month period.

## ***When Participation Begins and Ends***

When you become a participant in the plan depends on your employee classification.

Participation begins on your first day of work if you are an FSE.

If you are an LSE, participation begins after you work at least 1,000 hours during the applicable 12-month computation period.

If you stop working for the Company, your participation in this plan stops.

## ***Your Cost for Coverage***

The Company pays the full cost of the WSRC/BSRI Pension Plan with the exception of pension benefit reductions to provide the following survivor benefits:

- Pre-Retirement Spouse Benefit,
- Post-Retirement Spouse Benefit,
- Joint and Survivor Benefits,
- Pre-Payment Spouse Benefit — Deferred Vested Pension Benefit,
- Post-Payment Spouse Benefit — Deferred Vested Pension Benefit.

## ***Pension Plan Assets***

Assets of the WSRC/BSRI Pension Plan are held in a pension trust. Mellon Bank Trust, the Pension Trustee, administers approved payouts from the plan's assets. Approved payments from this plan generally are in the form of a monthly annuity (payment).

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## Service

As you read this summary, you'll see references to two categories of service: Eligibility Service and Credited Service.

Eligibility Service is used to determine **when** you become **eligible** for a pension benefit and includes service with the four companies — WSRC, BSRI, BNFL, BWXT, — their respective parent corporation and its affiliated entities.

Eligibility Service is also used to determine when a limited service employee (LSE) is eligible to participate in the plan.

Credited Service is used to **calculate** your pension benefits from the plan and includes service with the WSRC Team and specific rollover service from the DuPont Pension Plan.

To learn more about these two categories of service, refer to pages 23 through 25, and the Glossary on pages 26 and 27.

## When Benefit Payments Can Begin

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Generally, you can receive a benefit from the plan when you are eligible for:

- Normal Retirement,
- Early Retirement,
- Optional Retirement,
- Incapability Retirement,
- Deferred Vested Pension Benefit.

### Normal Retirement

A Normal Retirement benefit is payable after you reach age 65 and complete at least 15 years of Eligibility Service. The benefit is unreduced and is based on your average monthly pay and Credited Service with the WSRC Team.

**Unreduced benefits are sometimes available earlier than age 65 — if you retire on or after age 58, and your age plus Eligibility Service adds up to 85 or more, your early retirement pension can begin with no reduction.**

## Early Retirement

If you're an FSE, you may retire at any time after you reach age 50 and have at least 15 years of Eligibility Service. Early Retirement options are not available to LSEs. Your Early Retirement benefit is calculated based on your average monthly pay and Credited Service with the WSRC Team as of your early retirement date and can be paid as follows:

- Beginning on your early retirement date. However, your benefit will be reduced based on your age and Eligibility Service as shown in the table below. For example, if your benefit payments begin when you retire at age 53 with 22 years of Eligibility Service, you'll receive 50% of the full pension benefit.
- On an unreduced basis, if you are age 58 or older, and if your age and Eligibility Service equal at least 85.

## Percentage of Pension Benefits for an Early/Normal Retirement

Years of Eligibility Service								Age at Retirement
15-20	21	22	23	24	25	26	27+	
100%								65
95	100%							64
90	95	100%						63
85	90	95	100%					62
80	85	90	95	100%				61
75	80	85	90	95	100%			60
70	75	80	85	90	95	100%		59
65	70	75	80	85	90	95	100%	58
60	65	70	75	80	85	90	95	57
55	60	65	70	75	80	85	90	56
50	55	60	65	70	75	80	85	55
50	50	55	60	65	70	75	80	54
50	50	50	55	60	65	70	75	53
50	50	50	50	55	60	65	70	52
50	50	50	50	50	55	60	65	51
50	50	50	50	50	50	55	60	50

The exact percentage of pension benefits received is based on your age (years and months) and Eligibility Service (years and months) at the time of your retirement.

**Note:** The minimum age for an **unreduced** pension benefit is age 58 with 27 or more years of Eligibility Service.



**Optional Retirement**

An Optional Retirement benefit is available only if you’re an FSE:

- At age 50, with at least 15 years of Eligibility Service, and your employment is involuntarily terminated for reasons other than discharge for dishonesty, insubordination or other misconduct or
- Between ages 45 and 49, with Eligibility Service of 25 to 17 years respectively, and your employment is involuntarily terminated due to lack of work.
- You are not eligible for Optional Retirement if you are offered employment by a successor contractor.

The 25-year Eligibility Service requirement is reduced by two months for each month (24 months per year) after your 45th birthday. For example:

<i><b>If your employment ends involuntarily due to lack of work at age:</b></i>	<i><b>You will be eligible for Optional Retirement if you have this many years of service:</b></i>
45	25
46	23
47	21
48	19
49	17
50 or more	15



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The Optional Retirement table below shows the percentage of your optional pension benefit you will receive (based on your age and Eligibility Service) if you elect to have payments begin before you reach age 65.

### Percentage of Pension Benefits for an Optional Retirement

Years of Eligibility Service													Age at Retirement
15	16	17	18	19	20	21	22	23	24	25	26	27&over	
Unreduced Pension Benefit													
95	95	95	95	95	97.5								64
90	90	90	90	92.5	95	97.5							63
85	85	85	87.5	90	92.5	95	97.5						62
80	80	82.5	85	87.5	90	92.5	95	97.5					61
75	77.5	80	82.5	85	87.5	90	92.5	95	97.5				60
72.5	75	77.5	80	82.5	85	87.5	90	92.5	95	97.5			59
70	72.5	75	77.5	80	82.5	85	87.5	90	92.5	95	97.5		58
67.5	70	72.5	75	77.5	80	82.5	85	87.5	90	92.5	95	95	57
65	67.5	70	72.5	75	77.5	80	82.5	85	87.5	90	90	90	56
62.5	65	67.5	70	72.5	75	77.5	80	82.5	85	85	85	85	55
60	62.5	65	67.5	70	72.5	75	77.5	80	80	80	80	80	54
57.5	60	62.5	65	67.5	70	72.5	75	75	75	75	75	75	53
55	57.5	60	62.5	65	67.5	70	70	70	70	70	70	70	52
52.5	55	57.5	60	62.5	65	65	65	65	65	65	65	65	51
50	52.5	55	57.5	60	60	60	60	60	60	60	60	60	50
Terminated for lack of work only													
		52.5	55	55	55	55	55	55	55	55	55	55	49
				50	50	50	50	50	50	50	50	50	48
						45	45	45	45	45	45	45	47
								40	40	40	40	40	46
										35	35	35	45

### Incapability Retirement

If you are permanently incapable of performing the normal duties of your **own** job due to a permanent disability, you may qualify for an Incapability Retirement benefit. To be eligible, you must be an FSE with at least 15 years of Eligibility Service and your disability must be approved by the Plan Administrator. The Incapability Retirement benefit is an unreduced pension equal to the pension benefit earned as of your date of retirement. In addition, you may receive an incapability supplemental payment from the WSRC/BSRI Pension Plan if you have not been awarded your Social Security Disability benefits, or you are not old enough to receive Social Security Retirement (Age 62) payments at the time your Incapability Retirement begins. You will be required to submit satisfactory proof of your disability and this benefit will only be payable while your disability continues.

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**Regardless of when you want your Deferred Vested Pension Benefit to begin, you must notify Benefits Administration in writing at least 90 days before the date you want your pension benefits to commence.**

**Deferred Vested Pension Benefit**

If you terminate from the Company after you have at least five years of Eligibility Service, but before you are eligible to retire, you are entitled to a Deferred Vested Pension Benefit.

The Deferred Vested Pension Benefit is a lifetime pension based on your average monthly pay and Credited Service at the time you terminate from the Company. However, your pension benefit is **postponed** until you attain the age (see table below) to be eligible to receive benefits.

If you choose to begin pension payments before age 65 (or before age 60 if you have at least 30 years of Eligibility Service), your benefit will be reduced by .004167 (5% on an annual basis) for each month prior to the month you would have been entitled to an unreduced pension benefit (age 60 or 65). The table below shows the age at which reduced benefits can begin based on your Eligibility Service at the time you leave the Company.

<i><b>If this is your years of Eligibility Service when you leave...</b></i>	<i><b>This is the age when reduced payments can begin.</b></i>	<i><b>Maximum Reduction</b></i>	<i><b>This is the age when unreduced payments can begin.</b></i>
Fewer than 10 years	Not available	—	65 and over
10-14	60-64	25%	65 and over
15-29	50-64	75%	65 and over
30 or more	50-59	50%	60 and over

If the present value of your accrued pension benefit is \$5,000 or less at the time you terminate from the Company, then you will receive a lump sum cash out of your benefit which may be either taken in cash or rolled over to an IRA or other employer qualified plan.

**Questions and Answers:**

1. *Is a cash out of my deferred vested pension benefit available if I terminate employment with the Company?*
- Answer: Yes, if the present value of your pension is \$5,000 or less, a lump sum cash out will be paid and will cancel any future liability to you under the Plan. Your monthly accrued pension benefit is converted to a Present Pension Value with a factor determined by your age at termination.

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2. *Is any portion of my deferred vested pension benefit payable to my beneficiaries in the event of my death?*

Answer: *As a terminated employee, you may designate only your spouse to receive a 50% portion of your deferred vested pension. No other beneficiaries qualify to receive this benefit. You will incur permanent reductions in your benefit to pay the cost for this spouse coverage.*

3. *How do I apply for deferred vested pension payments after I terminate employment with the Company?*

Answer: *Three months before you wish to receive your payments, you must make your request in writing to the Plan Administrator of the WSRC/BSRI Pension Plan.*

## How Your Pension Benefit Is Calculated

**Your retirement benefit is calculated using one of three formulas — whichever produces the greatest benefit.**

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Three formulas are used to calculate your monthly pension benefit under the plan. **Your benefit will be based on the formula that produces the greatest benefit.** Note, however, that your pension benefit cannot be greater than your Average Monthly Pay minus your Social Security benefit. Let's take a moment to review these terms before we examine the plan formulas.

**Average Monthly Pay** refers to the dollar amount used in the pension formulas. This amount is determined using one of the following methods that produces the greatest amount:

- Average of your monthly compensation during your highest paid 36 consecutive months (weekly paid employees will have their earnings converted into an average monthly pay); or
- Average of your annual compensation for the three calendar years in which your pay was the highest divided by 12.

Average Monthly Pay **includes** your base pay, lump sum adjustments to base pay, overtime and overtime lump sum adjustments, shift differential, holiday pay and employee reactor certification pay. It may also include pay from an Affiliated Entity if there is continuous service and up to one-half of a WSRC Team Incentive Compensation Award. In addition, Average Monthly Pay and service (Credited and

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Eligibility) under the DuPont Company Pension and Retirement Plan will be included for current, active employees who were members of that plan and did not retire on March 31, 1989.

Average Monthly Pay **does not** include Deferred Incentive Compensation Awards, awards and payments under any other special compensation plans, compensation for unused time bank hours, payments for severance or relocation, foreign service premium or other special payments, and unpaid compensation for service granted under any early retirement incentive program. In addition, annual compensation over \$170,000 (indexed for inflation) is not included in the calculation of your Average Monthly Pay.

**Credited Service** refers to all of the years you were employed by the WSRC Team and credited service rolled over from the DuPont Pension Plan.

**Primary Social Security Benefit (PSSB)** refers to your estimated retirement benefit determined as of January 1 of the year in which your employment ends. This benefit is payable at your earliest Social Security retirement age of 62. The WSRC Team bases its estimate on your Company earnings and, when available, on your DuPont earnings before April 1, 1989, or earnings with Affiliated Entities. Estimated earnings may be used if your actual earnings are not available within 30 days of your separation from service. You may supply evidence of your actual earnings from prior employment.

## ***Calculation Formulas***

The three formulas that determine your pension benefit are as follows:

<b>Formula A</b>
<b>1.2% of Average Monthly Pay <i>times</i> Credited Service <i>equals</i> your monthly pension</b>
<b>Formula B</b>
<b>1.5% of Average Monthly Pay <i>times</i> Credited Service minus 50% of your Primary Social Security Benefit <i>equals</i> your monthly pension</b> Your actual Social Security benefit may be higher than the PSSB used in Formula B because only WSRC Team and DuPont earnings are applicable in determining the PSSB used in this formula.
<b>Formula C</b>
<b>\$9 <i>times</i> Credited Service plus 10% of Average Monthly Pay <i>equals</i> your monthly pension</b>

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If you have fewer than 15 years of Credited Service, 2/3% (.0067) of Average Monthly Pay is multiplied by your Credited Service.

## Calculation Examples

To give you an idea of how the three formulas are used, let's work through some examples.

### Normal Retirement

Assume you're age 65 and have 35 years of Eligibility and Credited Service. Your Average Monthly Pay is \$2,900 and your Primary Social Security Benefit (PSSB) is \$1,014 per month. Here's how your pension benefit is calculated:

Note: All calculations are rounded up to the next whole dollar amount.

Formula A						
1.2%	x	Average Monthly Pay	x	Credited Service	=	Your Monthly Pension
.012	x	\$2,900	x	35	=	\$1,218

Formula B						
1.5%	x	Average Monthly Pay	x	Credited Service	– 50% PSSB	= Your Monthly Pension
.015	x	\$2,900	x	35	– (.5 x \$1,014)	= \$1,016

Formula C					
\$9	x	Credited Service	+10% x Average Monthly Pay	=	Your Monthly Pension
\$9	x	35	+ (.10 x \$2,900)	=	\$605

Based on this example, you would receive the benefit from **Formula A** — \$1,218 per month for your lifetime. Combined with your Social Security benefit of at least \$1,014 per month, your total retirement income would be \$2,232 per month or 76.9% of your Average Monthly Pay before retirement.

**Early retirement benefits are not reduced if you are age 58 or older and your age and Eligibility Service equals 85 or more.**

## Late Retirement (Retirement past the age of 65)

If you decide to work past your Normal Retirement date, your retirement benefit will be calculated as of your late retirement date using the formulas described on page 8. Federal law requires the plan to begin paying your pension benefits to you no later than April 1st of the year following the year in which you reach age 70-1/2 or retire, whichever occurs last.

## Early Retirement (Unreduced Benefit)

Assume you decide to retire at age 62 with 30 years of Eligibility and Credited Service. Your Average Monthly Pay is \$4,000 and your PSSB is \$664 per month. Here is how your benefit is calculated:

Formula A						
1.2%	x	Average Monthly Pay	x	Credited Service	=	Your Monthly Pension
.012	x	\$4,000	x	30	=	\$1,440

Formula B						
1.5%	x	Average Monthly Pay	x	Credited Service	– 50% PSSB	= Your Monthly Pension
.015	x	\$4,000	x	30	– (.5 x \$664)	= \$1,468

Formula C					
\$9	x	Credited Service	+10% x Average Monthly Pay	=	Your Monthly Pension
\$9	x	30	+ (.10 x \$4,000)	=	\$670

## Early Retirement (Reduced Benefit)

Now, assume you're age 59 with 23 years of Eligibility and Credited Service. Your pension benefit, after all the calculations are done, is \$1,000 per month. Because you decide not to delay the start of payments until age 65 and the sum of your age plus Eligibility Service is less than 85, your full pension benefit amount will be reduced. Using the table on page 3, you should receive 85% of the full benefit calculated (\$1,000 x .85). Your reduced early retirement benefit is \$850 per month.

## Optional Retirement

In this example, your employment has ended involuntarily. You are age 54 with 23 years of Eligibility and Credited Service and you want to begin receiving your



benefit now (instead of waiting until age 65). Your full pension benefit is \$1,300 per month. Using the Optional Retirement table on page 5, you should receive 80% of your full benefit (\$1,300 x 80%) or \$1,040 per month.

## Incapability Retirement

If you qualify for an Incapability Retirement benefit, your benefit will be based on your Credited Service and earnings at the time of your retirement. You'll receive your full pension benefit without the reduction due to age. In addition, you may receive an incapability supplement equal to the greater of either:

- 50% of your PSSB, or
- \$90 per month.

You'll receive this supplement until you reach age 62 or until you begin receiving a Social Security Disability benefit, whichever happens first. You are required to apply for Social Security Disability and appeal only once if you are denied the benefit. You are required to notify the WSRC Benefits Department when Social Security payments begin. If there are any overpayments of the Incapability Supplement, you are required to repay them or they will be deducted from future pension payments.

For example, assume you are age 48 with 18 years of Eligibility and Credited Service, your Average Monthly Pay is \$3,576, your PSSB is \$560 per month and your Social Security Disability benefit is \$820 per month. The following example shows how your pension benefit is calculated:

Formula A						
1.2%	x	Average Monthly Pay	x	Credited Service	=	Your Monthly Pension
.012	x	\$3,576	x	18	=	\$773

Formula B						
1.5%	x	Average Monthly Pay	x	Credited Service	– 50% PSSB	= Your Monthly Pension
.015	x	\$3,576	x	18	– (.5 x \$560)	= \$686

Formula C					
\$9	x	Credited Service	+10% x Average Monthly Pay	=	Your Monthly Pension
\$9	x	18	+ (.10 x \$3,576)	=	\$520

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Your Incapability Retirement benefit would be the amount from Formula A. Because the benefit is unreduced, you could begin to receive \$773 per month immediately. Combined with a Social Security Disability benefit of \$820 per month, your total retirement income would be \$1,593 per month or 44.5% of your Average Monthly Pay before retirement.

If your Social Security Disability benefit is delayed, you receive the Incapability Retirement Benefit of \$773 plus an Incapability Supplement (described on page 5) of 50% of your PSSB of \$560 or \$280. The total benefit from the plan would come to \$1,053 (\$773 + \$280). You would receive this benefit until your Social Security Disability benefit payments begin or you reach age 62, whichever occurs first.

### ***Questions and Answers:***

1. *How do pension benefits from the Incapability Retirement benefit coordinate with total & permanent disability benefits from the WSRC/BSRI Disability Income Plan?*

*Answer:* *The Incapability Retirement benefit is used as an offset to the benefit available from the WSRC/BSRI Disability Income Plan.*

### **Deferred Vested Pension Benefit**

This benefit is calculated based on your Average Monthly Pay and Credited Service as of the date your employment ends, provided you have at least five years of Eligibility Service. Suppose the greatest of the three formulas is \$500, and that you had 12 years of Eligibility Service. You could elect to receive \$500 per month beginning at age 65 or a reduced amount (.004167 per month reduction for each month early) beginning earlier. For example, your monthly payments for life beginning at age 62, would be \$425 (36 months early times .004167 equals a 15% reduction, or \$75).

If the lump sum value of your deferred vested pension benefit is \$5,000 or less at the time of your termination, you will receive a lump sum cash out of your benefit which may be rolled over to an IRA or other employer qualified plan.



# How Your Pension Benefits Are Paid

**You will receive your pension benefit as a monthly annuity for the rest of your life — or if you are married when you retire, your spouse will receive a portion of your pension benefit as a monthly annuity for the rest of his/her life if you die before him/her. (If the present value of a deferred vested pension benefit or a survivor benefit is \$5,000 or less, it will be paid as a lump sum.)**

**If you are married and you want an optional form of payment other than Income Leveling, your spouse must agree to the option you choose. Your spouse's agreement must be in writing and must be witnessed by a notary public.**

When you become eligible and apply for benefits from the WSRC/BSRI Pension Plan, your payments, as well as payments to your eligible designated survivor(s), are in the form of a monthly annuity (payment) unless the present value of the benefit is \$5,000 or less and then it will be paid in a lump sum.

## Standard Forms of Payment

If you are not married, your monthly annuity will not be reduced for available spouse payment options.

If you are married, your monthly annuity is subject to permanent reductions by federal law to provide a percentage of your benefit to your spouse.

## Optional Forms of Payment

You may be eligible to choose from one of the following benefit options in place of the standard form of payment.

### Income Leveling Option

You can choose this option to supplement your base pension only if you take Early or Optional retirement before age 62. Your choice must be made before you retire. Income Leveling permits you to receive a larger monthly pension benefit from the plan until Social Security retirement benefits begin at age 62. When you are first eligible for Social Security benefits at age 62, your pension payments are reduced. However, when combined with your Social Security benefits, your total retirement income remains the same. Thus, **Income Leveling provides a steady retirement income** from the plan along with Social Security throughout your retirement.

### Income Leveling Example

Assume you retire at age 60 with 30 years of Eligibility and Credited Service and you're eligible for an unreduced Early Retirement Pension Benefit. Your pension benefit at age 60 is \$1,080 per month, and your Social Security benefit payable at age 62 is \$740 per month.

Your Benefit	Before Age 62	After Age 62
<b>With</b>		
Income Leveling	\$1,690 from the plan	\$950 from the plan <sup>(a)</sup> + 740 from Social Security \$1,690
<b>Without</b>		
Income Leveling	\$1,080 from the plan	\$1,080 from the plan + 740 from Social Security \$1,820

<sup>(a)</sup> Note: Your monthly pension benefit of \$1,080 is actuarially reduced to reflect the increased level of pension benefit payments (\$1,690) prior to age 62.

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With Income Leveling, you receive the same level of income both before and after age 62. Without Income Leveling, you receive less income before age 62 than afterward when Social Security benefits begin.

### **Questions and Answers:**

1. *If I elect the Income Leveling option, do I actually receive payments from Social Security prior to age 62?*

Answer: No, the Income Leveling supplement you receive prior to age 62 is paid from the Pension Plan.

2. *If I elect the Income Leveling option, do I need to start my Social Security benefit at age 62?*

Answer: No, however, since your pension benefit is going to adjust downward at age 62, you may want to start your Social Security benefit at age 62 if you expect to retain the same level of income that you received prior to age 62.

3. *If I elect the Income Leveling option and there are future cost of living increases to my Social Security benefit, is my WSRC/BSRI pension benefit reduced by the increase in my Social Security benefit?*

Answer: No, your WSRC/BSRI pension benefit will remain the same.

### **Joint and Survivor Options**

To choose this form of payment, you must be:

- Eligible for an unreduced benefit, or
- Age 50 with at least 25 years of Eligibility Service when you retire.

You can choose from one of the following joint and survivor options between 30 and 90 days before you retire:

- 10% joint and survivor annuity,
- 20% joint and survivor annuity,
- 30% joint and survivor annuity,
- 40% joint and survivor annuity,

**Note:** The sum of all survivor benefits may not exceed your actuarially reduced pension. Therefore, the joint and survivor annuity amount could be a lesser percentage than actually chosen.



If you choose this option, you must elect the option no more than 90 days and no less than 30 days prior to your retirement date. Your spouse (if married) must consent to your electing or declining the option by signing a spouse consent form. You must agree to take a reduced monthly pension benefit for your lifetime so that a percentage of your pension benefit (10%, 20%, 30%, 40%) will be paid to your designated beneficiary after your death. Benefits under this option begin the month after your death and continue for the rest of your beneficiary's life.

The amount of the reduction is based on the percentage of your pension you want paid to your beneficiary, your age and your beneficiary's age when you retire, and actuarial tables. The joint and survivor reduction reflects the fact that your pension is being **paid over two lifetimes**.

If, after you retire, your beneficiary dies before you do, no survivor benefits will be paid, and you will continue to receive the actuarially reduced pension benefit for the rest of your life.

If your beneficiary dies *before* you retire, you may choose another option or name another beneficiary.

If you want to change your beneficiary or change this option, you must do so no less than 30 days before you retire. You will not be permitted to change the percentage amount or cancel your election during the last 30 days of your employment, unless your beneficiary dies or you become eligible to elect Incapability or Optional Retirement.

#### **Applying for Benefits**

***If you're planning to retire, contact Human Resources to request a retirement packet. Then, submit your retirement notice at least 90 days before your retirement date. This will allow enough time to process your paperwork and get your first pension check mailed on time.***

### **Joint and Survivor Option Example**

Assume you retire at age 65 and your pension is calculated at \$1,400 per month, payable for life. Your spouse is age 62. Before retiring, you chose a 20% joint and survivor annuity. With this option, your spouse would receive a benefit equal to 20% of your base pension. Keep in mind that these benefits are in addition to the Post-Retirement Spouse Benefit (see page 22) and the Employer-Paid Survivor Benefit (described on page 20), if eligible.

Using the age-related reduction tables in the official plan document, in effect at the time of your retirement, the actuary determines that the reduction factor for the 20% joint and survivor annuity for a 62 year old is 5.78%. Your pension will be reduced as follows:

Benefit \$1,400.00	times x	Reduction Factor .0578%	equals =	Reduction Amount \$80.92
Benefit \$1,400.00	minus -	Reduction Amount \$80.92	equals =	Reduced Monthly Benefit \$1,319.08 (rounded up to \$1,320)

In this example, \$1,320 would be your reduced monthly pension. If you died after retirement and before your spouse, your spouse would receive 20% of \$1,400.00, or \$280.00 per month for life under this option in addition to the employer-paid benefit which is approximately 40% of the \$1,400 base pension benefit.

### Questions and Answers:

1. *If I elect the Joint and Survivor Option for my beneficiary and my beneficiary dies after I retire, will my pension benefit remain reduced for the remainder of my life?*

Answer: Yes.

2. *If I elect the Joint and Survivor Option for my beneficiary and my beneficiary dies after I retire, may I name another beneficiary to receive the payment when I die?*

Answer: No.

3. *How is the reduction of my pension determined to pay the cost of the option?*  
Answer: The percentage factor is determined from actuarial tables and is based on the age difference between the beneficiary and the employee at retirement.

## Overview of Death Benefits

The plan can provide valuable benefits to your survivors after you die. Some of the benefits are optional and are paid for, by you, in the form of smaller pension payments while you are living. Some are automatic and are paid by the WSRC/BSRI Pension Plan.

- **Pre-Payment Spouse Benefits (Deferred Vested Pension Benefit)** are paid if you are vested in the WSRC/BSRI Pension Plan and you die as an active or terminated FSE. The amount paid to your spouse equals 50% of your reduced pension benefit and is payable only when you would have qualified for a pension payment based on your years of Eligibility Service.

- .....
- **Pre-Retirement Spouse Benefits** are paid if you die **before** retirement, if you elect this option. The amount paid to your spouse is an additional 10% of your reduced pension benefit. Your spouse is also eligible for the Employer-Paid Survivor Benefit, which is approximately 40% of your pension benefit.
  - **Employer-Paid Survivor Benefits** are paid if you die after earning 15 years of Eligibility Service. It is paid if you die **while working or after your retirement**. It provides approximately 40% of your pension benefit to your spouse for life, your children until age 21, or a parent or stepparent for life.
  - **Post-Payment Spouse Benefits (Deferred Vested Pension Benefit)** are paid if you die after you begin receiving deferred vested pension payments. The amount paid to your spouse equals 50% of your reduced pension benefit.
  - **Post-Retirement Spouse Benefits** provide the same 10% of benefit as Pre-Retirement Spouse Benefits, except it is paid if you die **after** retirement.

The above death benefits are described in detail below.

### ***Pre-Payment Spouse Benefit — Deferred Vested Pension Benefit***

This benefit is available if you are:

- An active FSE with at least five but less than 15 years of Eligibility Service,
- A terminated vested employee who left the Company with a Deferred Vested Pension Benefit (see page 6).

Coverage under this benefit is automatic. It can be stopped or restarted at any time beginning on the first day of the year you reach age 35 or at the time you leave the WSRC Team with a Deferred Vested Pension Benefit, whichever happens first. Coverage ends when you complete 15 years of Eligibility Service.

To provide this benefit, your pension is reduced by the percentages in the following table for the number of months that coverage is in effect for the age periods shown:

### Pre-Payment Spouse Benefit Reduction Factors

Your Age When Coverage Begins	Full Service Active Employee	Terminated Vested Employee
less than 35	.0002%	.004%
35-44	.0006%	.007%
45-54	.0060%	.025%
55-64	.0400%	.055%
65 and over	.1250%	.125%

*If you are eligible for an immediate vested pension benefit at the time of your death, your spouse will receive monthly payments equal to 50% of the reduced pension benefit amount you would have received had your employment ended (with the Pre-Payment Spouse Benefit in effect) and you applied for benefits to begin on the day before you died. Payments to your spouse will begin the month following the month in which you died and end when your spouse dies.*

*If you are not eligible for an immediate vested pension benefit at the time of your death, your spouse will receive monthly payments equal to 50% of the reduced pension benefit amount you would have been eligible to receive had your employment ended (with the Pre-Payment Spouse Benefit in effect) on the day before you died, and you applied for a reduced monthly benefit to begin on the earliest date you would have been eligible for a benefit. Payments to your spouse will begin the month following the earliest date you could have begun receiving a pension benefit. Payments will end when your spouse dies.*

### Pre-Retirement Spouse Benefit

For your spouse to qualify for this benefit, you must be an active FSE age 55 or older with 15 or more years of Eligibility Service. Coverage under this benefit is automatic (if married) and is **combined with the Employer-Paid Survivor Benefit**, (described on page 20) if you die while employed with the WSRC Team. Coverage for the Pre-Retirement Spouse Benefit ends when you retire. However, coverage under the Post-Retirement Spouse Benefit begins at the same time.

To provide this benefit to your spouse, your pension is reduced by:

- .015% for each month coverage is in effect beginning at age 55, but before age 65, and
- .025% for each month after age 65, if you are still actively employed.

**The Pre-Retirement Spouse Benefit is an optional benefit. However, your spouse must provide consent if you choose to decline this coverage.**



If you die, the benefit will be no less than 10% of the reduced pension benefit amount you would have received if you had retired or left the company. The Pre-Retirement Spouse Benefit your spouse receives when added to your Employer-Paid Survivor Benefit, will be equal to approximately 50% of your monthly pension benefit (as if you had retired at the time of your death).

If you do not want this coverage, your spouse must consent in writing to your decision. You can elect to stop or restart this coverage at any time after you become eligible and remain an active employee with the Company.

If your spouse dies before you retire, you can stop coverage. The reduction applied to your pension to provide this benefit will then be discontinued.

### Pre-Retirement Spouse Benefit Example

Suppose you elect this coverage at age 55 and die 36 months later at age 58. Assume your pension at age 58 would have been \$700 per month. Here's how your PreRetirement Spouse Benefit is calculated:

Pre-Retirement Spouse Benefit Formula						
Reduction Factor (.015%)	times	Number of Months Coverage was in Effect	times	Pension Benefit	equals	Reduction Amount
.00015	x	36	x	\$700	=	\$3.78

The monthly benefit of \$700 you would have received minus \$3.78 results in a reduced monthly benefit of \$696.22. Your spouse would receive 10% of this benefit (\$696.22 x .10 = \$69.62, rounded up to \$70 per month).

This amount would be added to the Employer-Paid Survivor Benefit and paid monthly for your spouse's lifetime. When your spouse dies, payment of the Pre-Retirement Spouse Benefit (\$70) would stop. The Employer-Paid Survivor Benefit would still be paid to your children, if any, (in equal shares) until they reached age 21.

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## ***Employer-Paid Survivor Benefit***

The Employer-Paid Survivor Benefit is a unique feature of this plan. It provides a continuing income of approximately 40% of your pension benefit to eligible survivors after you die. The Company pays the entire cost of this benefit.

For your eligible survivor to be eligible for this benefit, you must be an FSE with at least 15 years of Eligibility Service with the Company. Employer-Paid Survivor Benefits will be **paid if you die while actively employed or after you retire with a Normal, Early, Optional or Incapability Pension**. This benefit is automatic once you become eligible. Your designated survivors will begin to receive benefits the month following your death.

Your eligible survivors are:

- Your spouse, or
- Your spouse and all minor children (under age 21), or
- Your spouse and minor children (under age 21) as specified, or
- Your specified minor children (under age 21), or
- One of your parents or stepparents.

If you designated your spouse and minor children as your survivors, payments will continue for as long as your spouse lives. Then, if there are still children under age 21 (who are designated survivors) when your spouse dies, benefits will continue to them. Payments to your children will be made in equal shares until they reach age 21. If you named a parent or stepparent as your survivor, payments will stop at his/her death.

You may change your survivor designations at any time. If you designate someone other than your spouse, you are required by law to receive your spouse's consent. If you do not name your survivors, the plan trustee will pay benefits to your spouse after you die and then to all minor children after your spouse's death.





Two separate formulas are used to calculate the Employer-Paid Survivor Benefit. The amount you receive is the greater of the two.

Formula 1
Credited Service <i>times</i> Average Monthly Pay <i>times</i> .5% equals the Survivor Benefit

Formula 2
Credited Service <i>times</i> \$4 plus 4% <i>times</i> Average Monthly Pay equals the Survivor Benefit
If Credited Service is less than 15 years, the 4% of Average Monthly Pay is multiplied by your Credited Service and divided by 15.

### Employer-Paid Survivor Benefit Example

Suppose you die while actively employed at age 60 with 25 years of Credited Service. Your Average Monthly Pay is \$2,500. Your spouse and two minor children are your designated survivors. Here's how the survivor benefit is calculated:

Formula 1						
Credited Service	<i>times</i>	Average Monthly Pay	<i>times</i>	.5%	=	Survivor Benefit
25	x	\$3,600	x	.005	=	\$450

Formula 2						
Credited Service	<i>times</i>	\$4 plus 4%	<i>times</i>	Average Monthly Pay	=	Survivor Benefit
(25	x	\$4) +	(.04 x \$3,600)		=	\$244

In this example, your spouse would receive the benefit under **Formula 1** (\$450 per month). If your spouse dies while your children are still minors, each child would receive approximately \$225 per month (\$450 / 2) until age 21.

Because you were still employed when you died, your spouse would receive a Pre-Retirement Spouse Benefit (see page 18), unless you chose not to provide the benefit with your spouse's consent.

If your spouse is more than five years younger than you, the Employer-Paid Survivor Benefit will be actuarially reduced to reflect the age difference. If you die after retirement with a reduced Early or Optional Retirement benefit, the Employer-Paid Survivor Benefit will also be reduced by the same early retirement factor.

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## ***Post-Payment Spouse Benefit — Deferred Vested Pension Benefit***

You are eligible for the Post-Payment Spouse Benefit coverage if you are married when your deferred vested pension payments begin.

Your coverage under this benefit is automatic. Coverage will be in effect unless you elect otherwise and receive your spouse's consent. You may **not** stop or restart this coverage after your deferred vested pension payments begin.

You pay for the Post-Payment Spouse Benefit coverage through an actuarial reduction in your monthly deferred vested pension payments. The amount your monthly pension payment is reduced depends on your age and the age of your spouse at the time payments begin and on the plan's investment return rate.

If you die while receiving deferred vested pension payments with this coverage in effect, your spouse will receive monthly payments equal to 50% of the reduced pension benefit amount you were receiving at the time of your death. At your spouse's death, all payments under this coverage end.

If, after your deferred vested pension payments begin, your spouse dies before you do, no survivor benefits are payable under this option and your deferred vested pension payments will not be readjusted.

## ***Post-Retirement Spouse Benefit***

If the Post-Retirement Spouse Benefit is not waived by spousal consent, a benefit will be paid to your spouse if you die following retirement.

- If you retire with a Normal, Early, Optional or Incapability Benefit and die, your spouse will receive 10% of your reduced pension benefit amount. However, your spouse will also receive the "Employer-Paid Survivor Benefit" described earlier. When this 10% benefit is added to the Employer-Paid Survivor Benefit, your spouse will receive approximately 50% of the pension benefit you had received.

This benefit only applies to your spouse. To provide this benefit, your pension will be **reduced actuarially** based on your age and your spouse's age on your retirement date. When your spouse dies, the Post-Retirement Spouse Benefit stops.

If your spouse dies first after you retire, a Post-Retirement Spouse Benefit will not be payable. You will continue to receive the reduced monthly pension benefit for the rest of your life.

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If you do not want Post-Retirement Spouse Benefit coverage, your spouse must consent in writing to your decision before you retire. You cannot change or elect this coverage after you retire. You may choose to ask your spouse to waive Post-Retirement Spouse Benefit coverage if you believe that your spouse will not need this benefit. Perhaps the plan's Employer-Paid Survivor Benefit (described earlier) will provide enough coverage. If you waive this coverage, your pension will not be reduced actuarially, and you can select pension benefits for your life only or one of the optional forms of payment shown earlier.

### **Post-Retirement Spouse Benefit Example**

Assume you retire at age 65 with a Normal Retirement benefit. Also, assume that your monthly pension would be \$1,400, as determined by the formulas on page 8. This \$1,400 is the amount payable with no Post-Retirement Spouse Benefit coverage (that is, without the promise of approximately 10% of the pension benefit being paid to your spouse for life after your death). Assume the actuarial reduction for the 10% coverage is 3%. This means that with the 10% coverage in effect, you would receive monthly payments of 97% of \$1,400 or \$1,358. However, when you die, 10% of this reduced benefit, or \$136, will be paid to your spouse monthly until his/her death. Your spouse would receive this benefit in addition to the Employer-Paid Survivor Benefit each month for life. In total, your spouse would receive approximately \$700 per month.

## **Understanding Service**

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**You are  
earning both *Eligibility  
Service* and *Credited  
Service* while working for  
the WSRC Team.**

References to Eligibility Service and Credited Service appear throughout this book. It is important to understand how your service with the WSRC Team is measured and how it is applied in the administration of the Pension Plan. For example, an employee may have 15 years of Eligibility Service, but only have 10 years of Credited Service as measured under the WSRC/BSRI Pension Plan. In this instance, the employee would have earned five additional years of Eligibility Service, but no Credited Service, by working for an affiliated entity of the WSRC Team. This difference could affect your eligibility for certain benefits and, depending upon your age, could allow you to qualify for Early Retirement with an unreduced pension benefit. Note: Eligibility Service and Credited Service are expressed in a decimal fraction of years (for example, 5.78 years, 23.12 years, etc.).

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## ***Eligibility Service***

As an FSE, if you work at least 20 hours per week, you will earn Eligibility Service beginning on your date of hire and ending when you leave the Company, retire or die.

LSEs earn a year of Eligibility Service for each consecutive 12-month period beginning on your date of hire with the WSRC Team and every year thereafter during which you are credited with 1,000 or more compensated hours of service.

In addition to your employment with the WSRC Team, **you will receive Eligibility Service for any period during which you were employed by and earned eligibility service with an affiliated entity of the WSRC Team.**

### **When You Become “Vested”**

After you earn five years of Eligibility Service, you become vested. This means you are eligible to receive a pension benefit from the plan at your Normal Retirement Age (65).

## ***Credited Service***

As an FSE, if you work at least 20 hours per week, you will earn Credited Service beginning on your date of hire and ending when you leave the Company, retire or die.

If you are an LSE, you earn a year of Credited Service after you complete 2,080 hours of service. If you complete at least 1,000 hours of service within a year, you will earn Credited Service for a portion of the year. For example, if you work 1,040 hours in a year, you will earn one-half year ( $1040 / 2080 = .50$ ) of Credited Service.

### **When Credited Service is Not Counted**

**You will not receive Credited Service for any period during which you were employed by an affiliated entity of the WSRC Team.** In addition, Credited Service will not be received for time worked as a leased employee.

**Eligibility Service determines when you become eligible for a pension benefit, while Credited Service determines the amount of the pension benefit.**

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## **Break in Service**

If you have a Break in Service and you are rehired, prior Eligibility and Credited Service will be restored after 30 days.

For FSEs, you will **not** have a Break in Service when you are away from work due to:

- Approved absences of up to 30 consecutive calendar days,
- Disabilities,
- Time Bank hours,
- Approved leaves for temporary duties outside the WSRC Team,
- Time spent in the active military or Reserve Forces in accordance with published policies,
- Leaves of absence with full or partial pay, or
- Family and Medical Leave up to 30 days.

## **DuPont Service**

Your service under the DuPont Company Pension and Retirement Plan will be included for both Eligibility and Credited Service if you were employed by the DuPont Savannah River Plant on March 31, 1989 and rolled your service to WSRC/BSRI on April 1, 1989.

# **If You Leave The WSRC Team and Are Later Rehired**

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## **Before Retirement**

If you leave the Company and are later rehired, you will become a plan participant on your first day of reemployment. Any Eligibility Service and Credited Service earned before you left will be restored.

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If you retire again or your employment ends, your right to a pension and the amount of your pension will be determined based on your second period of employment, **plus** the Eligibility and Credited Service that was restored from your first period of employment.

### ***After Retirement***

Once you retire and begin receiving pension payments, you may be reemployed by the WSRC Team. Generally, your pension payments are suspended during your reemployment. When you again retire or end your employment, your pension will be recalculated, taking into account your pay and Credited Service earned during the time you were reemployed. If you are reemployed on a limited basis for 63 hours or less per month, your pension payments will not be suspended nor will you earn additional Eligibility Service or Credited Service.

## **If A Claim Is Denied**

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If you receive a denial of benefits under this plan, you or your beneficiary will receive a written notice within 90 days from the Plan Administrator of the WSRC /BSRI Pension Plan.

You have the right to appeal any denied claim. For more information, please refer to the Benefits Overview and General Information Book.

## **Glossary of Helpful Terms**

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### **Affiliated Entities**

In relation to each of the four companies — WSRC, BSRI, BNFL, BWXT — their respective parent corporation and its affiliated entities.

### **Average Monthly Pay**

The average of your monthly compensation during your highest paid 36 consecutive months, or one-twelfth of your average annual compensation during the three calendar years in which your compensation was the highest, whichever is greatest.

Annual compensation in excess of \$170,000 (as indexed for inflation) will not be considered for this purpose.

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## Company

Westinghouse Savannah River Company LLC  
Bechtel Savannah River, Inc.  
British Nuclear Fuels Limited, Savannah River Co.  
BWXT, Savannah River Co.

## Computation Period

A 12-consecutive-month period beginning on:

- Your employment (or reemployment) date with the WSRC Team or if earlier, DuPont, and
- Any following anniversary of such date.

## Credited Service

FSE and/or LSE service attained with the WSRC Team and **used in the calculation of a pension benefit from the plan.**

For FSEs, you will **not** receive any Credited Service during:

- Leaves of absence without pay in excess of 30 days,
- Family and Medical Leave in excess of 30 days,
- Terminations for lack of work, and
- Retirement.

## Eligibility Service

Service which **determines when you are eligible for pension benefits** and includes recognized service with the WSRC Team and Affiliated Entities.

## Full Service Employee

Anyone designated by the WSRC Team as a full-time employee who works at least 20 hours per week on a regular basis; referred to as an FSE.

## Limited Service Employee

Anyone who is hired by the WSRC Team as an employee on a temporary basis and is not referred to as an FSE.

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### **Primary Social Security Benefit**

Your estimated benefit available from the Social Security Administration as of January 1 of the year in which your employment ends. The WSRC/BSRI Pension Plan bases the estimate only on your Company earnings and, if applicable, your DuPont earnings prior to April 1, 1989.

### **Spousal Consent**

The written consent given by an employee's spouse to any decision made by the employee which specifies a beneficiary other than the spouse, or a form of payment which excludes the spouse from death benefit coverage. The consent must be witnessed by a Notary Public.

### **Vested Benefit**

The nonforfeitable benefit you have earned under the plan after you have five years of Eligibility Service.

## **ERISA Information**

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As a participant in the WSRC/BSRI Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). The official Pension Plan documents govern the actual operation of the plan and the payment of benefits. For more information about your rights under ERISA and the plan, refer to the Benefits Overview and General Information book.

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Eligibility for benefits should not be viewed as a guarantee of employment. Also, while WSRC/BSRI intends to continue providing a comprehensive benefits program, WSRC/BSRI reserves the right to modify or terminate any of the benefit plans at any time. For more information on the procedures to modify or terminate benefit plans, refer to the Benefits Overview and General Information book.